

TSX VENTURE EXCHANGE

NOTICE OF HOUSEKEEPING RULE AMENDMENTS

HOUSEKEEPING AMENDMENTS TO TSX VENTURE EXCHANGE RULE BOOK

TSX Venture Exchange Inc. has adopted, and the Alberta Securities Commission and British Columbia Securities Commission have approved, amendments (the “**Amendments**”) to the TSX Venture Exchange Rule Book (“**TSXV Rules**”). The Amendments are non-public interest amendments and are not to be considered a significant regulatory instrument.

Reasons for the Amendments

The Amendments are being made in response to industry changes in North America to move to a cycle where settlement occurs one trading day after the trade date (“**T+1**”), as set out in CSA Staff Notice 24-318 – Preparing for the Implementation of T+1 Settlement (the “**CSA Staff Notice**”).

Summary of the Amendments

TSXV is amending the TSXV Rules as set forth in Appendix A to conform to applicable amendments being made to move to T+1 as set out in the CSA Staff Notice.

Text of the Amendments

The Amendments are set out as blacklined text at Appendix A. For ease of reference, a clean version of the Amendments is set out at Appendix B.

Timing

The Amendments become effective May 27, 2024.

**APPENDIX A
BLACKLINE OF HOUSEKEEPING AMENDMENTS TO
THE TSX VENTURE EXCHANGE RULE BOOK**

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[...]

A1.01 – Definitions

In these rules unless the context otherwise requires:

[...]

"Special Terms Order" means an order for the purchase or sale of a security:

- (a) for less than a standard trading unit;
- (b) the execution of which is subject to a condition other than as to price or date of settlement; or
- (c) that on execution would be settled on a date other than:
 - (i) the ~~second~~first business day following the date of the trade, or
 - (ii) any settlement date specified in a special rule or direction issued by the Exchange.

Amended September 5, 2017 and May 27, 2024

[...]

RULE C.2.00 - TRADING PROCEDURES AND PRACTICES

[...]

C.2.03 – Special Term Order Priority

[...]

- (3) Cash same day and delayed delivery trades can occur at or outside a security's current posted market in both the regular market and the special term market provided that:
 - (a) a special terms~~cash~~ market message has been broadcast on the Exchange,
 - (b) the Approved Trader requesting the broadcast message discloses the size of the order and identity of their Member firm, and

- (c) after the broadcasting of the message, a minimum of five minutes has elapsed before the Approved Trader executes the buy, sell or cross on an equal allocation basis within the parameters of the now posted special terms cash market.

Amended May 27, 2024

C.2.17 – Shares Selling Ex-Dividends and Ex-Rights

- (1) Trades in shares shall be ex-dividend, ex-rights or ex-subscription privileges, as the case may be, on the ~~first trading day preceding the~~ record date or the date of the closing of the transfer books therefore, except transactions therein made specifically for cash same day settlement. Should such record date or such closing of transfer books occur upon a Statutory holiday, this section shall apply for the ~~second~~first preceding full trading day.
- (2) Trades in shares made specifically on a cash same day for-cash basis shall be ex-dividend, ex-rights, or ex-subscription privileges as the case may be on the trading day following the record date or the date of the closing of the transfer books.

[...]

Amended September 5, 2017 and May 27, 2024

[...]

C.2.18 – Expiry Date

Trading in rights and warrants shall be for cash same day settlement on the ~~for the two trading days preceding the~~ expiry date ~~and also on expiry date~~. On the expiry date, trading shall cease at 12 o'clock noon E.T. and no transactions shall take place thereafter except with permission of the Exchange.

Amended April 8, 2019 and May 27, 2024

[...]

C.3.03 – Trades to be Settled Through Clearing Corporation

On all trades in securities executed on the Exchange, except those specifically designated as cash same day trades, delivery and payment shall be made through the Clearing Corporation unless authorized by the Exchange.

Amended April 2, 2012 and May 27, 2024

C.3.04 – Settlement of Cash Same Day Trades

A trade designated as a cash same day trade shall be for delivery no later than the ~~next~~ same business day unless otherwise arranged at the time of the transaction.

Amended May 27, 2024

C.3.05 – Buy-Ins

[...]

(9) Settlement

Unless otherwise required or agreed to by the Exchange, a buy-in shall be executed ~~on a cash basis~~ for cash same ~~next~~ day delivery.

Amended September 5, 2017 [and May 27, 2024](#)

[...]

Policy Statement CR15

Buy-In Procedures

[...]

Executing Buy-Ins

- TS must be informed if stock will be available for cash [same day](#) at 3:00 p.m. ET.
- When possible, TS will call the issuing party or member prior to execution to confirm that the buy-in is still valid.
- The Exchange will issue ticker notices every ½ hour beginning at 1:00 p.m. ET and continuing up and until 2:30 p.m. ET, stating the outstanding buy-in total on each security.
- All buy-ins are executed at 3:00 p.m. ET for cash ~~next~~ [same](#) day delivery pursuant to Rule C.3.05 unless otherwise permitted by a Market Official.
- If stock is available for cash [same day delivery](#), a Market Official will be asked to rule, using the approved guidelines, that the premium or discount is reasonable and the buy-in may take place.
- The Member in default under a buy-in issued under Rule C.3.05 or the Clearing Corporation on behalf of said Member is given a notice prepared by TS informing the Member or the Clearing Corporation that the buy-in has been executed under the rules and containing the details of the trade.
- These cash [same day](#) trades go across the Exchange ticker shortly after 3:00 p.m. ET and are identified on the previous trades files as cash [same day](#) trades.
- Issuing Members or the Clearing Corporation will receive notification of buy-in executions by 3:30 p.m. ET.

[...]

[Amended May 27, 2024](#)

**APPENDIX B
CLEAN VERSION OF HOUSEKEEPING AMENDMENTS TO
THE TSX VENTURE EXCHANGE RULE BOOK**

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[...]

A1.01 – Definitions

In these rules unless the context otherwise requires:

[...]

"Special Terms Order" means an order for the purchase or sale of a security:

- (a) **Repealed (May 27, 2024);**
- (b) the execution of which is subject to a condition other than as to price or date of settlement; or
- (c) that on execution would be settled on a date other than:
 - (i) the first business day following the date of the trade, or
 - (ii) any settlement date specified in a special rule or direction issued by the Exchange.

Amended September 5, 2017 and May 27, 2024

[...]

C.2.03 – Special Term Order Priority

[...]

- (3) Cash same day and delayed delivery trades can occur at or outside a security's current posted market in both the regular market and the special term market provided that:
 - (a) a special terms market message has been broadcast on the Exchange,
 - (b) the Approved Trader requesting the broadcast message discloses the size of the order and identity of their Member firm, and
 - (c) after the broadcasting of the message, a minimum of five minutes has elapsed before the Approved Trader executes the buy, sell or cross on an equal allocation basis within the parameters of the now posted special terms market.

Amended May 27, 2024

C.2.17 – Shares Selling Ex-Dividends and Ex-Rights

- (1) Trades in shares shall be ex-dividend, ex-rights or ex-subscription privileges, as the case may be, on the record date or the date of the closing of the transfer books therefore, except transactions therein made specifically for cash same day settlement. Should such record date or such closing of transfer books occur upon a Statutory holiday, this section shall apply for the first preceding full trading day.
- (2) Trades in shares made specifically on a cash same day basis shall be ex-dividend, ex-rights, or ex-subscription privileges as the case may be on the trading day following the record date or the date of the closing of the transfer books.

[...]

Amended September 5, 2017 and May 27, 2024

[...]

C.2.18 – Expiry Date

Trading in rights and warrants shall be for cash same day settlement on the expiry date. On the expiry date, trading shall cease at 12 o'clock noon E.T. and no transactions shall take place thereafter except with permission of the Exchange.

Amended April 8, 2019 and May 27, 2024

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Amended May 27, 2024

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- If stock is available for cash same day delivery, a Market Official will be asked to rule, using the approved guidelines, that the premium or discount is reasonable and the buy-in may take place.
- The Member in default under a buy-in issued under Rule C.3.05 or the Clearing Corporation on behalf of said Member is given a notice prepared by TS informing the Member or the Clearing Corporation that the buy-in has been executed under the rules and containing the details of the trade.
- These cash same day trades go across the Exchange ticker shortly after 3:00 p.m. ET and are identified on the previous trades files as cash same day trades.
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